

Fill in this information to identify your case:

United States Bankruptcy Court for the:

EASTERN DISTRICT OF NEW YORK, BROOKLYN DIVISION

Case number (if known)

Chapter 11 Check if this an amended filing**Official Form 201****Voluntary Petition for Non-Individuals Filing for Bankruptcy**

06/22

If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write the debtor's name and the case number (if known). For more information, a separate document, *Instructions for Bankruptcy Forms for Non-Individuals*, is available.

1. Debtor's name	<u>SDS Colcon Owner LLC</u>	
2. All other names debtor used in the last 8 years	<p>Include any assumed names, trade names and doing business as names</p> <hr/>	
3. Debtor's federal Employer Identification Number (EIN)	<u>47-2567850</u>	
4. Debtor's address	<p>Principal place of business</p> <p><u>132 Remsen Street</u></p> <p><u>Brooklyn, NY 11201</u> Number, Street, City, State & ZIP Code</p> <p><u>Kings</u> County</p>	<p>Mailing address, if different from principal place of business</p> <p><u>P.O. Box, Number, Street, City, State & ZIP Code</u></p> <p><u>63 Columbia Street Brooklyn, NY 11201</u> Number, Street, City, State & ZIP Code</p>
5. Debtor's website (URL)	<u></u>	
6. Type of debtor	<input checked="" type="checkbox"/> Corporation (including Limited Liability Company (LLC) and Limited Liability Partnership (LLP)) <input type="checkbox"/> Partnership (excluding LLP) <input type="checkbox"/> Other. Specify: <u></u>	

Debtor SDS Colcon Owner LLC
Name

Case number (if known) _____

7. Describe debtor's business A. Check one:

Health Care Business (as defined in 11 U.S.C. § 101(27A))
 Single Asset Real Estate (as defined in 11 U.S.C. § 101(51B))
 Railroad (as defined in 11 U.S.C. § 101(44))
 Stockbroker (as defined in 11 U.S.C. § 101(53A))
 Commodity Broker (as defined in 11 U.S.C. § 101(6))
 Clearing Bank (as defined in 11 U.S.C. § 781(3))
 None of the above

B. Check all that apply

Tax-exempt entity (as described in 26 U.S.C. §501)
 Investment company, including hedge fund or pooled investment vehicle (as defined in 15 U.S.C. §80a-3)
 Investment advisor (as defined in 15 U.S.C. §80b-2(a)(11))

C. NAICS (North American Industry Classification System) 4-digit code that best describes debtor. See <http://www.uscourts.gov/four-digit-national-association-naics-codes>.5313

8. Under which chapter of the Bankruptcy Code is the debtor filing?

A debtor who is a "small business debtor" must check the first sub-box. A debtor as defined in § 1182(1) who elects to proceed under subchapter V of chapter 11 (whether or not the debtor is a "small business debtor") must check the second sub-box.

Check one:

Chapter 7
 Chapter 9
 Chapter 11. Check all that apply:

The debtor is a small business debtor as defined in 11 U.S.C. § 101(51D), and its aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$3,024,725. If this sub-box is selected, attach the most recent balance sheet, statement of operations, cash-flow statement, and federal income tax return or if any of these documents do not exist, follow the procedure in 11 U.S.C. § 1116(1)(B).
 The debtor is a debtor as defined in 11 U.S.C. § 1182(1), its aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$7,500,000, and it chooses to proceed under Subchapter V of Chapter 11. If this sub-box is selected, attach the most recent balance sheet, statement of operations, cash-flow statement, and federal income tax return, or if any of these documents do not exist, follow the procedure in 11 U.S.C. § 1116(1)(B).
 A plan is being filed with this petition.
 Acceptances of the plan were solicited prepetition from one or more classes of creditors, in accordance with 11 U.S.C. § 1126(b).
 The debtor is required to file periodic reports (for example, 10K and 10Q) with the Securities and Exchange Commission according to § 13 or 15(d) of the Securities Exchange Act of 1934. File the *Attachment to Voluntary Petition for Non-Individuals Filing for Bankruptcy under Chapter 11* (Official Form 201A) with this form.
 The debtor is a shell company as defined in the Securities Exchange Act of 1934 Rule 12b-2.

Chapter 12

9. Were prior bankruptcy cases filed by or against the debtor within the last 8 years?

If more than 2 cases, attach a separate list.

No.
 Yes.

District _____ When _____ Case number _____
 District _____ When _____ Case number _____

10. Are any bankruptcy cases pending or being filed by a business partner or an affiliate of the debtor?

No
 Yes.

List all cases. If more than 1, attach a separate list

Debtor SDS Colcon LLC Relationship Affiliate

Debtor Name	SDS Colcon Owner LLC	Case number (if known)
District <u>Eastern New York</u> When <u>9/27/23</u>		Case number, if known <u>23-43696-NHL</u>

11. Why is the case filed in this district?	Check all that apply:
	<input checked="" type="checkbox"/> Debtor has had its domicile, principal place of business, or principal assets in this district for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other district.
	<input checked="" type="checkbox"/> A bankruptcy case concerning debtor's affiliate, general partner, or partnership is pending in this district.
12. Does the debtor own or have possession of any real property or personal property that needs immediate attention?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Answer below for each property that needs immediate attention. Attach additional sheets if needed.
	Why does the property need immediate attention? (Check all that apply.)
	<input type="checkbox"/> It poses or is alleged to pose a threat of imminent and identifiable hazard to public health or safety. What is the hazard? _____
	<input type="checkbox"/> It needs to be physically secured or protected from the weather.
	<input type="checkbox"/> It includes perishable goods or assets that could quickly deteriorate or lose value without attention (for example, livestock, seasonal goods, meat, dairy, produce, or securities-related assets or other options).
	<input type="checkbox"/> Other _____
	Where is the property? _____ Number, Street, City, State & ZIP Code
	Is the property insured?
	<input type="checkbox"/> No
	<input type="checkbox"/> Yes. Insurance agency _____ Contact name _____ Phone _____

Statistical and administrative information

13. Debtor's estimation of available funds	Check one:		
	<input checked="" type="checkbox"/> Funds will be available for distribution to unsecured creditors.		
	<input type="checkbox"/> After any administrative expenses are paid, no funds will be available to unsecured creditors.		
14. Estimated number of creditors	<input checked="" type="checkbox"/> 1-49 <input type="checkbox"/> 50-99 <input type="checkbox"/> 100-199 <input type="checkbox"/> 200-999	<input type="checkbox"/> 1,000-5,000 <input type="checkbox"/> 5,001-10,000 <input type="checkbox"/> 10,001-25,000	<input type="checkbox"/> 25,001-50,000 <input type="checkbox"/> 50,001-100,000 <input type="checkbox"/> More than 100,000
15. Estimated Assets	<input type="checkbox"/> \$0 - \$50,000 <input type="checkbox"/> \$50,001 - \$100,000 <input type="checkbox"/> \$100,001 - \$500,000 <input type="checkbox"/> \$500,001 - \$1 million	<input type="checkbox"/> \$1,000,001 - \$10 million <input checked="" type="checkbox"/> \$10,000,001 - \$50 million <input type="checkbox"/> \$50,000,001 - \$100 million <input type="checkbox"/> \$100,000,001 - \$500 million	<input type="checkbox"/> \$500,000,001 - \$1 billion <input type="checkbox"/> \$1,000,000,001 - \$10 billion <input type="checkbox"/> \$10,000,000,001 - \$50 billion <input type="checkbox"/> More than \$50 billion
16. Estimated Liabilities	<input type="checkbox"/> \$0 - \$50,000 <input type="checkbox"/> \$50,001 - \$100,000 <input type="checkbox"/> \$100,001 - \$500,000 <input type="checkbox"/> \$500,001 - \$1 million	<input type="checkbox"/> \$1,000,001 - \$10 million <input checked="" type="checkbox"/> \$10,000,001 - \$50 million <input type="checkbox"/> \$50,000,001 - \$100 million <input type="checkbox"/> \$100,000,001 - \$500 million	<input type="checkbox"/> \$500,000,001 - \$1 billion <input type="checkbox"/> \$1,000,000,001 - \$10 billion <input type="checkbox"/> \$10,000,000,001 - \$50 billion <input type="checkbox"/> More than \$50 billion

Debtor

SDS Colcon Owner LLC

Name

Case number (if known)

Request for Relief, Declaration, and Signatures

WARNING -- Bankruptcy fraud is a serious crime. Making a false statement in connection with a bankruptcy case can result in fines up to \$500,000 or imprisonment for up to 20 years, or both. 18 U.S.C. §§ 152, 1341, 1519, and 3571.

**17. Declaration and signature
of authorized
representative of debtor**

The debtor requests relief in accordance with the chapter of title 11, United States Code, specified in this petition.

I have been authorized to file this petition on behalf of the debtor.

I have examined the information in this petition and have a reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on November 13, 2023

MM / DD / YYYY

X

Signature of authorized representative of debtor

Louis V. Greco, Jr.

Printed name

Title Manager

18. Signature of attorney**X**

Signature of attorney for debtor

Date November 13, 2023

MM / DD / YYYY

Kevin Nash

Printed name

Goldberg Weprin Finkel Goldstein LLP

Firm name

125 Park Ave

New York, NY 10017-5690

Number, Street, City, State & ZIP Code

Contact phone _____

Email address knash@gwfglaw.com

NY

Bar number and State

LIMITED LIABILITY COMPANY RESOLUTION

At a special meeting of the member of SDS Colcon Owner LLC (the “Company”) held on November 13, 2023 and upon the unanimous consent of the member after motion duly made and carried, it was:

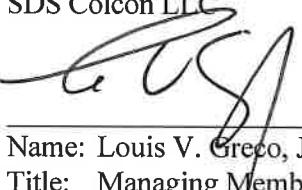
RESOLVED, that the Company is authorized to file a voluntary petition on behalf the Company under Chapter 11 of the United States Bankruptcy Code in the Eastern District of New York; and it is further

RESOLVED, that the Company is authorized to retain the law firm of GOLDBERG WEPRIN FINKEL GOLDSTEIN LLP, as bankruptcy counsel for the purpose of filing and prosecuting the Chapter 11 case on its behalf.

Dated: New York, New York
November 13, 2023

SDS Colcon Owner LLC
By: SDS Colcon LLC

By:



Name: Louis V. Greco, Jr.
Title: Managing Member

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK

-----X
In re:

Chapter 11

SDS Colcon Owner LLC,

Case No.

Debtor.

-----X
**DECLARATION PURSUANT TO
THE LOCAL BANKRUPTCY RULES**

Louis V. Greco, Jr. declares the following under penalties of perjury pursuant to 28 U.S.C.

§ 1746:

1. I am the managing member of Colcon Manager LLC which is the managing Class A member of SDS Colcon LLC, which in turn is the sole member of SDS Colon Owner LLC (the “Debtor”). I am familiar with the relevant facts and circumstances to submit this Declaration in accordance with the Local Bankruptcy Rule 1007-4 in support of the Debtor’s filing of a voluntary petition under Chapter 11 of the Bankruptcy Code.

Background

2. The Debtor owns a condominium development project located at 63 Columbia Street, Brooklyn, NY 11201 (the “Property”), which is approximately 75%-80% complete. The Property is being built to house eleven (11) residential condominium units (the “Project”) having a total sale close out value of approximately \$25 million or more. The Property is located near the waterfront in the Cobble Hill area of Brooklyn, and is situated in a desirable school district. The Project was conceived to be desirable to young families. The Debtor has already obtained Attorney General approval for the Condominium Offering Plan and thus is in a position to solicit potential unit buyers while it completes construction and obtains a certificate of occupancy. The Debtor

cannot close without the certificate of occupancy, but it can enter into contracts of sale providing for closings to take place after the certificate of occupancy is issued.

3. The Debtor's lead secured creditor is s TIG-Romspen US Master Mortgage LP (the "Secured Lender") which holds a mortgage debt in the principal amount of \$14.7 million, of which \$13,407,431.51 has been funded, plus accrued interest. The reality of today's world is that unless the Project is completed, the Senior Lender is undersecured and all other creditors, including the petitioning creditors (the "Petitioners") of the Debtor's affiliate, SDS Colcon LLC, will be out of the money. The Property was appraised in September 2023 in an "as is" condition without completion for approximately \$11.1 million. The appraisal was done by CBRE Valuation and Advisory Services.

4. Conversely, if the Project is completed, there is a good chance that the Property can reach its full potential, whereupon creditors can potentially see a meaningful distribution. The key to completion, however, relates to obtaining a new DIP loan of approximately \$3.5 million (without legal and interest reserves) to finance remaining hard costs and soft costs. A proposed completion budget is annexed hereto as Exhibit "A".

5. Over the last several weeks, the Debtor, in conjunction with its counsel, have pursued discussions with the Senior Lender regarding the funding of a post-petition DIP loan. To date, there has been no final agreement reached, although the Debtor believes that the Senior Lender is the most viable candidate to make such a DIP loan. In turn, the Senior Lender has requested additional infusions or contributions from the Petitioners and other investors. The Debtor remains hopeful that an agreement can be reached on DIP financing between the Senior Lender and the Petitioners and other investors which will enable the Debtor to complete the Project.

6. If the Debtor is unable to reach an agreement with the Senior Lender, the Debtor will look to obtain DIP financing from a different third party lender, although this will complicate matters as it will inevitably involve priming of the Senior Lender's lien and possible cramdown. All of this will surely be contested. Indeed, the Debtor has emphasized throughout the discussions with the Senior Lender that it is playing Russian roulette with its collateral because delays relating to completion of the Project are not beneficial to anyone, including the Senior Lender and maximum value can only be achieved if the Project is completed. Given today's ever changing market conditions, the best chance of success is a prompt resumption of work at the Project. The Debtor itself has no liquidity. Since the Debtor is the sponsor of the Condominium Offering Plan, it is not a simple alternative to replace the Debtor as the manager of the Project, although the Debtor is willing to discuss a change in control in connection with a DIP Loan. In sum, from the Debtor's perspective, all possibilities are in play and, hopefully, the give and take of Chapter 11 will prove to be an elixir for the Debtor's ills.

Local Rule 1007-4 Disclosures

7. Pursuant to Local Rule 1007-4 (a)(v), no committee of creditors was formed prior to the filing of the Petition.

8. Pursuant to Local Rule 1007-4(a)(vi), a list of the Debtor's twenty largest creditors is included as part of the Petition.

9. Pursuant to Local Rule 1007-4(a)(vii), the Property is subject to mortgage liens as set forth above.

10. Pursuant to Local Rule 1007-4(a)(viii), the Debtor's assets and liabilities will be set forth in the bankruptcy schedules to be filed within fourteen (14) days.

11. Pursuant to Local Rule 1007-4(a)(ix), the membership interests of the Debtor are held as set forth in the attached schedule.

12. Pursuant to Local Rule 1007-4(a)(x), no receiver or other custodian has been appointed to operate the Property.

13. Pursuant to Local Rule 1007-4(a)(xi), the Property is located in Brooklyn, New York.

14. Pursuant to Local Rule 1007-4(a)(xii), the Debtor's books and records are located in Brooklyn, New York.

15. Pursuant to Local Rule 1007-4(a)(xiii), a list of lawsuits is annexed hereto.

Dated: New York, New York
November 13, 2023

By:



Louis V. Greco, Jr.

Uses		Funded From Loan	Deferred and paid from Sales	Total Funding
Existing Loan Payoff				-
Hard Cost				
Cash to Complete Hard Cost	2,725,000			-
Hard Cost Mechanics Liens Paid from Loan		131,866.92		266,941.92
Less Balance Advance		263,583.53		263,583.53
Balance of Hard Cost Post Closing	2,329,549.55	2,329,549.55		2,329,549.55
Hard Cost Contingency	237,444.27			-
Soft Cost				
Cash to Complete Soft Cost Less contingency	1,162,369.77			-
First Advance	495,726.29			
Soft Cost Mechanics Liens Paid at closing		22,205.00		483,585.65
Construction Advance at Closing (Less Liens)		461,000.58		461,000.58
Balance of Soft Cost Post Closing (NIC RE Taxes)	506,952.89	506,952.89		506,952.89
Soft Cost Contingency	50,797.11	50,797.11		50,797.11
Financing				-
Lender Legal				
Borrower Legal		Included in soft costs		
Other AP		Included in soft costs		
Title Charges		98,013.99		98,013.99
Mortgage Recording tax		-		-
RE Taxes	172,211.30	172,211.30		172,211.30
Title Charges		15,000.00		15,000.00
Other Closing Costs		3,500.00		3,500.00
Loan Increase Orig Fee	1%			-
Interest Reserve Assumes: 10.50%				-
Brokerage Fee	1.50%			-
Loan reserve		319.13		319.13
Totals		4,055,000.00	596,455.65	4,651,455.65

Fill in this information to identify the case:			
Debtor name <u>SDS Colcon LLC</u> United States Bankruptcy Court for the: <u>Eastern</u> District of <u>NY</u> (State) Case number (If known): _____			

Check if this is an amended filing

Official Form 204

Chapter 11 or Chapter 9 Cases: List of Creditors Who Have the 20 Largest Unsecured Claims and Are Not Insiders

12/15

A list of creditors holding the 20 largest unsecured claims must be filed in a Chapter 11 or Chapter 9 case. Include claims which the debtor disputes. Do not include claims by any person or entity who is an *insider*, as defined in 11 U.S.C. § 101(31). Also, do not include claims by secured creditors, unless the unsecured claim resulting from inadequate collateral value places the creditor among the holders of the 20 largest unsecured claims.

	Name of creditor and complete mailing address, including zip code	Name, telephone number, and email address of creditor contact	Nature of the claim (for example, trade debts, bank loans, professional services, and government contracts)	Indicate if claim is contingent, unliquidated, or disputed	Amount of unsecured claim		
					Total claim, If partially secured	Deduction for value of collateral or setoff	Unsecured claim
1	Townsend Ventures LLC 1336 Bolton Road Pelham, NY, 10803		Lender				5,805,000
2	Romspen 162 Cumberland Street Suite 300 Toronto, Ontario M5R 3N5		Lender	Disputed	14,733,349.12	11,100,000	3,633,349.12
3	Consolidated Edison PO Box 1702 New York, NY 10116-1702		Goods & Services				9,395.12
4	Webster-Schippers LLC 10 Pierrepont Street Brooklyn, NY 11201		Lender				889,520.41
5	Samuel Eldad 196 Columbia Heights Brooklyn, NY 11201		Lender				827,000
6	Hal Friedman 140 Remsen Street Brooklyn, NY 11201		Lender				662,900
7	Wagner, Ferber, Fine & Ackerman 66 South Tyson Avenue Floral Park, NY 11001		Lender				3,954
8	Jay M. Schippers Realty 10 Pierrepont Street Brooklyn, NY 11201		Lender				196,960

Debtor	SDS Colcon LLC Name	Case number (if known)					
	Name of creditor and complete mailing address, including zip code	Name, telephone number, and email address of creditor contact	Nature of the claim (for example, trade debts, bank loans, professional services, and government contracts)	Indicate if claim is contingent, unliquidated, or disputed	Amount of unsecured claim If the claim is fully unsecured, fill in only unsecured claim amount. If claim is partially secured, fill in total claim amount and deduction for value of collateral or setoff to calculate unsecured claim.		
					Total claim, if partially secured	Deduction for value of collateral or setoff	Unsecured claim
9	Colcon Preferred LLC 132 Remsen Street Brooklyn, NY 11201		Lender				195,000
10	Jay M. Schippers Realty 10 Pierrepont Street Brooklyn, NY 11201		Lender				8,100
11	William Lewis Wexler 395 East 4th Street Brooklyn, NY 11218		Professional Services				4,329.15
12	Shahram David Behin 130 Washington Avenue Brooklyn, NY 11205		Broker Commision				86,500
13	David Yassky 62 Joralemon Street Brooklyn, NY 11201		Lender				75,150.68
14	Scott Heffler 235 West Hobart Gap Rd Livingston, NJ 07039		Lender				37,575.34
15	Robert Dietz 464 Hartung Drive Wyckoff, NJ 07481		Lender				37,575.34
16	Stephen Dietz 96 State Street Brooklyn, NY 11201		Lender				37,575.34
17	Charles Henry/Deborah Buell 221 Congress Street Brooklyn, NY 11201		Lender				37,575.34
18	Robert Bo Rodgers 8 Remsen Street, Apt 6 Brooklyn, NY 11201		Lender				37,575.34
19	Warren L Forman 40 West Beech Street Long Beach, NY 11561		Lender				37,575.34
20	Townsend Ventures LLC 1336 Bolton Road Pelham, NY, 10803		Lender				32,000

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK

-----X
In re:

Chapter 11

SDS Colcon Owner LLC,

Case No.

Debtor.

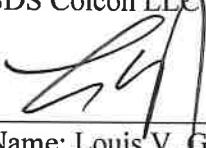
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**BANKRUPTCY RULE 7007.1 AND E.D.N.Y. LBR 1073-3
CORPORATE OWNERSHIP STATEMENT**

Pursuant to Bankruptcy Rule 7007.1 and E.D.N.Y. LBR 1073-3, SDS Colcon Owner LLC certifies that it is a private non-governmental party, and has no corporate parent, affiliates and/or subsidiaries which are publicly held.

Dated: Brooklyn, New York
November 13, 2023

SDA Colcon Owner LLC
By: SDS Colcon LLC

By:



Name: Louis V. Greco, Jr.
Title: Managing Member

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK

-----x
In re:

Chapter 11

SDS Colcon Owner LLC,

Case No.

Debtor.

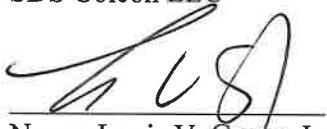
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LIST OF EQUITY HOLDERS

SDS Colcon LLC 100%

Dated: Brooklyn, New York
November 13, 2023

SDS Colcon Owner LLC
By: SDS Colcon LLC

By:



Name: Louis V. Greco, Jr.
Title: Managing Member

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK

In re:

Chapter 11

SDS Colcon Owner LLC,

Case No.

Debtor.

LIST OF LAWSUITS

None

Dated: Brooklyn, New York
November 13, 2023

SDA Colcon Owner LLC
By: SDS Colcon LLC

By:


Name: Louis V. Greco, Jr.
Title: Managing Member